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Budget Digest

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September 17, 2019

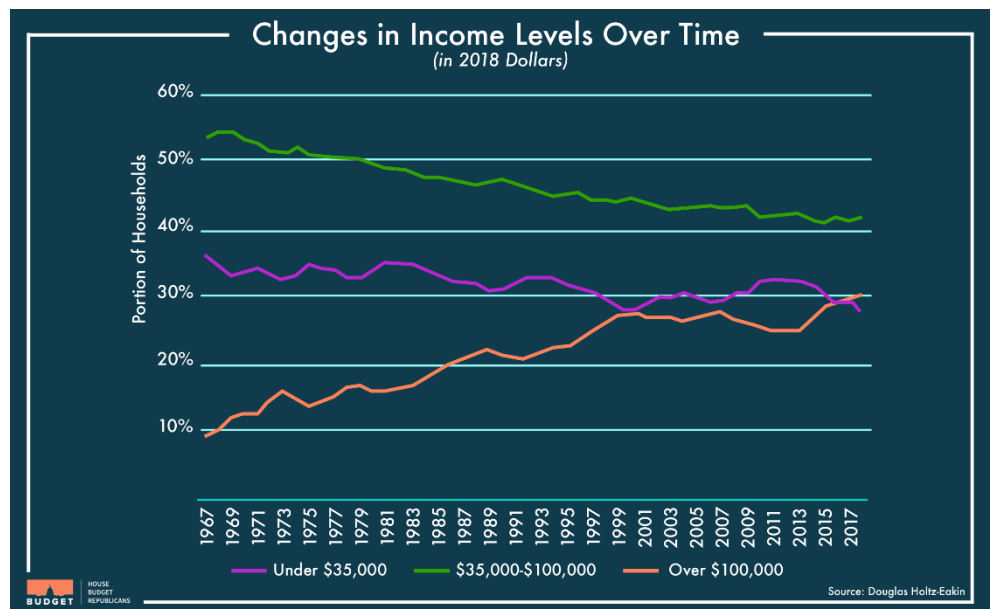
BUDGET DIGEST: CENSUS REPORT ON INCOME AND POVERTY IN THE U.S.

Last week, the U.S. Census Bureau released its 2018 annual [report](#) on the income and poverty status of the United States. The report's findings indicate that the American economy is continuing to provide higher earnings for workers, an increase in the number of full-time workers, and lower poverty rates.

The report highlighted a number of key findings, including:

- Between 2017 and 2018, **real median earnings of all workers increased** 3.4 percent, reaching \$40,247.
- In 2018, **median household income increased** for the fourth consecutive year, reaching \$63,179. Over the past four years, median household income has increased by 11 percent.
- Between 2017 and 2018, the number of **full-time, year-round workers increased** by 2.3 million.
- Between 2017 and 2018, the **poverty rate decreased** by 0.5 percent, which means that 1.4 million fewer Americans were below the poverty level. This is the fourth consecutive year the poverty rate has decreased.

The Census Bureau's report shows that there has been an increase in upward mobility for middle-class workers. Moreover, it shows that the so-called shrinking middle-class is not a result of Americans slipping into poverty, but rather of households seeing increased earnings and rising into higher-income levels. In 2018, 30.4 percent of U.S. households earned \$100,000 or more (in 2018 dollars), up from 9.7 percent of households in 1967. U.S. households earning between \$35,000 and \$100,000 (in 2018 dollars) was 41.7 percent in 2018, down from 53.8 percent in 1967 and households earning \$35,000 or less (in 2018 dollars) was 27.9 percent in 2018, down from 36.4 percent in 1967.



These trends are good signs for American workers, and Congress should continue to support pro-growth policies that improve economic mobility and middle class living standards. On Thursday, September 19th, the House Budget Committee will hold a hearing entitled "[Solutions to Rising Economic Inequality](#)," in which Committee Democrats will likely highlight Universal Basic Income, including a [recent proposal](#) discussed by Democrat presidential candidates.